

13N - OC TOBACCO SETTLEMENT FUND

Operational Summary

Agency Description:

To administer the use of the County's share of the national Tobacco Settlement in accordance with the conditions set forth in a local initiative, Measure "H", approved by the voters on November 7, 2001.

On November 23, 1998 the major American cigarette manufacturers agreed to a settlement (Master Settlement Agreement, MSA) of litigation brought by the Attorneys General of 46 States (including California), five U.S. territories and the District of Columbia. In addition to restrictions related to cigarette advertising and underage smoking, the MSA requires that the tobacco companies pay the participants an estimated \$206 Billion over the next 25 years. After certain adjustments the payments are distributed on a population basis, with California estimated to receive (1990 census) about 12.8%. California's share is split 50-50 between the State and the eligible cities and Counties. Orange County's portion of the local share is about 7.3%.

Although there are not any conditions placed on the use of TSR local share by the MSA or State statute, Measure "H", which takes effect on July 1, 2001 restricts the use of TSR to specific health and public safety initiatives. Measure "H" which has been upheld in the Superior Court, requires the use of TSR be restricted to specific health related categories, 80% and public protection programs, 20%. The specific categories are described herein at the Activity level.

Measure "H" applies only to TSR received after July 1, 2001. Please see Fund 14X in program VII for TSR received by the County prior to July 1, 2001.

At a Glance:

Total FY 2000-2001 Actual Expenditure + Encumbrance:	0
Total Final FY 2001-2002 Budget:	28,842,072
Percent of County General Fund:	N/A
Total Employees:	0.00

Strategic Goals:

- Administer the County's share of Tobacco Settlement Revenue received on or after July 1, 2001, in strict accordance with the requirements of voter approved Measure "H".

Fiscal Year 2000-01 Key Project Accomplishments:

- This is a new fund in FY 01-02.

SENIORS & PERSONS WITH DISABILITIES - \$5,479,994 or 19% is allocated to this Measure "H" category.

EMERGENCY ROOM PHYSICIANS & SPECIALISTS - \$6,633,677, or 23%, is allocated to this Measure "H" category.

TOBACCO PREVENTION & CONTROL - \$3,461,049, 12%, is allocated to this Measure "H" category.

CHILDREN & FAMILY HEALTH SERVICES - \$5,768,414, 20%, is allocated to this Measure "H" category.

COMPREHENSIVE EMERGENCY ROOM SERVICES/ TRAUMA CNTRS - \$1,730,524, 6%, is allocated to this Measure "H" category.